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THE ANDHRA PRADESH GAZETTE

PART IV-B EXTRAORDINARY

PUBLISHED BY AUTHORITY

No. 6] HYDERABAD, FRIDAY, APRIL 20, 2012.

**ANDHRA PRADESH ACTS, ORDINANCES AND
REGULATIONS Etc.**

The following Act of the Andhra Pradesh Legislature, received the assent of the Governor on the 17th April, 2012 and the said assent is hereby first published on the 20th April, 2012 in the Andhra Pradesh Gazette for general information.

ACT No. 6 OF 2012.

AN ACT FURTHER TO AMEND THE ANDHRA PRADESH MUNICIPALITIES ACT, 1965, THE GREATER HYDERABAD MUNICIPAL CORPORATION ACT, 1955, THE VIJAYAWADA MUNICIPAL CORPORATION ACT, 1981, THE VISAKHAPATNAM MUNICIPAL CORPORATION ACT, 1979 AND ANDHRA PRADESH MUNICIPAL CORPORATIONS ACT, 1994.

[1]

A. 306-1

Be it enacted by the Legislature of the State of Andhra Pradesh in the Sixty-third year of the Republic of India as follows:-

**Short
title and
Com-
mence-
ment.**

1. (1) This Act may be called the Andhra Pradesh Municipal Laws (Amendment) Act, 2012.

(2) It shall come into force on such date as the Government may by notification appoint and different dates may be appointed for different areas.

**Amend-
ment of
Act 6 of
1965.**

2. In the Andhra Pradesh Municipalities Act, 1965, in part IV, in chapter 1, under the (i) Property Tax,—

(1) in section 85, in sub-section (1), for the words “where the Council by resolution determine that a Property Tax shall be levied,” the words “subject to the provisions of sections 85-H and 85-I, where the Council, by resolution determines that a Property Tax shall be levied”, shall be substituted.

(2) after section 85 so amended, the following sections shall be inserted, namely;

“Constitution
of the Andhra
Pradesh State
Property Tax
Board.

85-A. The Government shall, by notification, within three months from the date of commencement of the Andhra Pradesh Municipal Laws (Amendment) Act, 2012, constitute a State Property Tax Board called as the Andhra Pradesh State Property Tax Board (hereinafter referred to as the Board) to provide assistance and technical guidance to all municipalities in the State for proper assessment of property tax on buildings and lands, in their respective jurisdictions.

Composition
of the Board.

85-B. The Board shall consist of a Chairperson and five members as specified below:

- | | | |
|-------|---|-----------------------------|
| (i) | Commissioner and Director of Municipal-Administration, Government of Andhra Pradesh. | Ex-officio Vice-Chairperson |
| (ii) | Secretary to Government, Information Technology and Communications Department, Government of Andhra Pradesh or an Expert in Information Technology. | Member |
| (iii) | An expert in valuation of buildings and lands for assessment of property tax. | Member |
| (iv) | President, Chamber of Municipal Chairmen, Andhra Pradesh | Ex-officio Member |
| (v) | One person in the category of Additional Director of Municipal Administration appointed by the Government. | Member-Secretary |

Qualification for the Chairperson and Members.	85-C. (i) The Chairperson shall be a person who has held the Office of Judge of a High Court;
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(ii) The members shall be persons who are having knowledge and experience in the fields of valuation of properties for assessment of property tax, Information Technology (I.T.) as may be prescribed.

Term and other conditions of service of Chairperson and Members.	85-D. The Chairperson and the members of the Board shall hold office for a period of three years and the terms and conditions of their service, including salaries and allowances, shall be such as may be prescribed by the State Government.
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Resignation. 85-E. The Chairperson or a member of the Property Tax Board may resign his office by a letter signed by him and addressed to the Government and on acceptance of such resignation by the Government, his office shall fall vacant on the date on which such resignation is accepted.

Removal from Office. 85-F. The person appointed as Chairperson of the State Property Tax Board may be removed from office in the manner as may be prescribed.

Staff of the Board. 85-G. The Board shall be provided with such number of officers and staff as may be determined by the State Government.

Functions of the Board. 85-H. The Board shall discharge the following functions, namely:

(i) to make arrangements for preparation of data base of property tax in all Municipalities, for proper maintenance of all records and registers relating to assessment of property tax.

(ii) to make arrangements for assessment of property tax on all buildings and lands situated in the Municipalities as per the provisions of the Act and the Rules issued thereunder.

(iii) to monitor that the assessment books shall be completely revised by the Commissioner once in five years as per the provisions of the Act and the Rules issued thereunder.

(iv) to make arrangements that all new constructions or additions or improvements to the existing buildings in the Municipalities are assessed to Property Tax within thirty days from the date of completion of the building or occupation of the building whichever is earlier.

(v) to conduct study on prevailing rental value of buildings from time to time in Municipalities.

(vi) to make arrangements for the calculation of payment of service charges in respect of Central Government properties as per the instructions of State Government and Government of India.

(vii) to review the present Property Tax assessment system in Municipalities and make suggestions to the Government in this regard.

(viii) to make arrangements for assessment or revision of property tax relating to at least 25% of the aggregate number of estimated properties across all Municipalities in the State by 31st March, 2015.

(ix) to prepare a work plan to achieve the above coverage and publish the work plan in the Andhra Pradesh Gazette.

(x) to make arrangements for disposal of revision petitions and appeals filed for revision of Property Tax by the concerned officers within three months from the date of filing such revision petitions or appeals.

(xi) to suggest the Government about the criteria to be adopted for exemption of buildings and lands in Municipalities from payment of Property Tax.

(xii) to make arrangements for maintenance of register of properties exempted from the payment of Property Tax by all the Municipalities.

(xiii) to undertake training of Officers and Staff of Municipalities in the assessment and revision of Property Tax directly or through any institution.

(xiv) to discharge such other functions in the field of assessment of Property Tax including development of expertise in valuation of lands and buildings.

Powers of the Board.	85-I. (1). The Board shall exercise the following powers, namely:
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(i) to issue instructions to the Municipalities for assessment and revision of Property Tax as per the provisions of the Act and the Rules issued thereunder which shall be complied with by all the Municipal Commissioners.

(ii) the Municipal Commissioner shall consult the Board before issue of draft notification fixing monthly rent proposed per square metre of plinth area for assessment or revision of property tax. The Board shall study the draft notification and make a comparative study of the monthly rental values proposed by other Municipalities in the District in this regard and offer its views in the matter. The Municipal Commissioner shall give due consideration to the views offered by the Board before adopting the final notification showing monthly rent per square metre of plinth area as prescribed.

(iii) to make a test check of the assessments made by the Commissioner both at the time of assessment of new buildings and revision of Property Tax.

(iv) to inspect any building or land in the Municipality or take measurements of the property for verification of the Property Tax assessment.

(v) to call for particulars relating to the building or land from any owner or occupier by serving a notice for the purpose of verification of the assessment of Property Tax.

(vi) to inspect records and registers relating to assessment and revision of property tax in Municipalities.

(vii) to call for information from Municipal Commissioners on assessment and revision of Property Tax.

(viii) to conduct review meetings with Commissioners of Municipalities and Regional Directors of Municipal Administration on assessment and revision of Property Tax and to issue suitable instructions in the matter.

Meetings of the Board. 85-J (1). The Board may hold ordinary meetings at such intervals as may be prescribed and a special meeting may be convened by Chairperson at any other time for the transaction of urgent business.

(2) The number of members necessary to constitute a quorum at a meeting and procedure to be followed thereat shall be such as may be prescribed.

Funds of the Board. 85-K (1). The Board shall have a Fund to be called the State Property Tax Board Fund, to which the following moneys shall be credited,—

(i) such moneys as may be paid to the Board by the State Government or any other authority or agency; and

(ii) such moneys as may be paid to the Board by the Municipalities as may be prescribed.

(2) All moneys received by the Board shall be deposited in the State Bank of India or any Nationalized Bank as may be prescribed.

Expenditure. 85-L (1). The expenditure to be incurred by the Board for meeting the salaries and allowances including contingencies of the Chairperson, Members, Secretary, Officers and employees serving under or for the Board shall be defrayed out of the Fund to be provided by the State Government.

(2) The expenditure towards contingencies for undertaking normal activities of the Board shall be met out of the Fund provided by the State Government.

Budget. | 85-M (1). The Board shall prepare each year in such form and within such time, as may be prescribed, a budget in respect of the ensuing financial year, showing the estimated receipts and expenditure and shall forward a copy of the same to State Government for approval.

(2) The State Government may, in according such approval, make such additions, alterations and modifications thereon as it thinks fit:

Provided that before making such additions, alterations or modifications the State Government shall give the Board an opportunity to express its views thereon within such period as may be prescribed.

Accounts. | 85-N (1). The Board shall have the same financial powers as are exercisable by the Secretary or a Head of the Department of the State Government. Matters beyond such financial powers shall be referred to by the Board to the State Government for a decision.

(2) The Board shall keep accounts of all receipts and expenditure and prepare annual accounts in such manner as may be prescribed.

Audit. | 85-O (1). The Board shall cause its accounts to be audited annually by an auditor to be appointed by the State Government and the auditor so appointed shall have the right to demand the production of books, accounts, documents and other papers of the Board.

(2) As soon as the accounts have been audited, the Board shall send a copy thereof together with a copy of the report of the auditor to the State Government.

(3) The Board shall comply with such directions as the State Government may, after perusal of the report of the auditor, think fit to issue in this behalf.

(4) The Board shall pay out of the Fund such sum as may be determined by the State Government by way of fees, if any, for such audit.

Annual Report. 85-P. The Board shall prepare an Annual Report of its activities during the year in such form as may be prescribed by the State Government and the Annual Report shall be placed before the Legislature of the State.

Delegation of powers and functions by the Board. 85-Q (1). The Board may delegate any of its powers and functions including financial powers to the Chairperson of the Board by a resolution adopted by it in this behalf.

(2) The Board may also delegate any of its powers or functions to the Secretary or any Officer of the Board by a resolution adopted by it in this behalf.

Members, officers and employees to be public servants. 85-R. Chairperson, every Member of the Board or every Officer or employee of the Board shall, when acting or purporting to act under the provisions of this Act, be deemed to be a public servant within the meaning of section 23 of the Indian Penal Code, 1860. **Central Act 45 of 1860.**

3. In the Greater Hyderabad Municipal Corporation Act, 1955, under chapert VIII, Municipal Taxation,— **Amend-ment of Act**

(1) After section 197, the following section shall be added, namely:— **No. II of 1954.**

197-A. The provisions relating to the State Property Tax Board constituted under sub-section (1) of section 85-A of the Andhra Pradesh Municipalities Act, 1965 shall ***mutatis mutandis*** applicable, subject to variation that for the word “Municipalities”, the words “Greater Hyderabad Municipal Corporation” and for the words “other Municipalities in the District” the words “Other Municipal Corporations in the State” shall be substituted.

(2) In section 198, after sub-section (1), the following proviso shall be added, namely:-

“Provided that the Corporation shall, subject to the instruction given by the State Property Tax Board referred to in section 197-A, by resolution determine that the tax on lands and buildings specified in item (a) of clause (i) of sub-section (1) of section 197 shall be levied.”.

(3) In section 212, after sub-section (1), the following new sub-section shall be inserted, namely:-

(1A) The annual rental value of lands and buildings arrived at under sub-section (1) shall be subject to the guidelines given by the State Property Tax Board referred to in section 197-A from time to time.

Application of
section - 3 to
other
Corporations.

4. The amendments made to the Greater Hyderabad Municipal Corporation Act, 1955 by section 3 shall extend to and shall apply also to the Visakhapatnam and Vijayawada Municipal Corporations and to all Municipal Corporations constituted under the provisions of the Andhra Pradesh Municipal Corporations Act, 1994.

A. SHANKAR NARAYANA,
Secretary to Government,
Legislative Affairs & Justice,
Law Department.